

## Message Text

LIMITED OFFICIAL USE

PAGE 01 ROME 12486 111657Z

46

ACTION TRSE-00

INFO OCT-01 EUR-25 EA-11 ISO-00 EB-11 AID-20 CIAE-00

COME-00 FRB-03 INR-11 NSAE-00 RSC-01 XMB-07 OPIC-12

SP-03 CIEP-03 LAB-06 SIL-01 OMB-01 NSC-07 SS-20

STR-08 CEA-02 L-03 H-03 PRS-01 PA-04 USIA-15 DRC-01

/180 W

----- 105627

P R 111608Z SEP 74

FM AMEMBASSY ROME

TO SECSTATE WASHDC PRIORITY 6835

INFO AMEMBASSY BONN

AMEMBASSY BERN

AMEMBASSY BRUSSELS

AMEMBASSY THE HAGUE

AMEMBASSY LONDON

AMEMBASSY OTTAWA

AMEMBASSY PARIS

AMEMBASSY STOCKHOLM

AMEMBASSY TOKYO

LIMITED OFFICIAL USE ROME 12486

E.O. 11652: N/A

TAGS: EFIN, IT

SUBJECT: U.S. GOLD CLAUSE JOINT RESOLUTION

REF: STATE 188463

1. SUMMARY. ITALY DOES NOT HAVE LIMITING LEGISLATION  
OR REGULATION SIMILAR TO U.S. GOLD CLAUSE JOINT  
RESOLUTION. HOWEVER, USE OF SUCH CLAUSES MUST CONFORM  
TO OTHER LAWS AND REGULATIONS. END SUMMARY.

2. CONTRACTS WITH GOLD, FOREIGN CURRENCY AND SIMILAR  
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 ROME 12486 111657Z

CLAUSES FOR DETERMINING AMOUNT OF CONTRACTUAL OBLIGATION

ARE PERMISSIBLE IN ITALY., PROVIDED THAT CONTRACT DOES NOT COME INTO CONFLICT WITH OTHER SPECIFIC LAWS AND REGULATIONS. FOR EXAMPLE, LEASES WHICH CONTAIN ANTI-INFLATION CLAUSES BASED ON GOLD VALUE OR OTHER SUCH MEASURING STICK COULD CONFLICT WITH RENT CONTROL LAWS. SIMILARLY, CONTRACTS WHICH NOT ONLY CALL FOR USE OF GOLD AND FOREIGN CURRENCIES FOR DETERMINING AMOUNT OF OBLIGATION BUT ALSO CALL FOR ACTUAL PAYMENT IN THESE ASSESTS COULD COME INTO CONFLICT WITH EXCHANGE CONTROL LAWS OR WITH LAWS LIMITING THE EXPORT OF GOLD.

3. FOLLOWING IS TRANSLATION OF BRIEF NOTE PROVIDED BY BANK OF ITALY'S LEGAL SERVICE WHICH OUTLINES STATUS OF GOLD CLAUSES IN ITALY..

4. BEGIN QUOTE. ITALIAN REGULATIONS CONCERNING THE VALIDITY OF GOLD AND FOREIGN EXCHANGE CLAUSES MAY BE SUMMARIZED AS FOLLOWS:

(A) AS CONCERNS DOMESTIC TRANSACTIONS, ITALIAN JURISPRUDENCE HAS CONSISTENTLY, AND FOR A LONG TIME, RECOGNIZED THE VALIDITY OF GOLD CLAUSES AS WELL AS ALL INDEXING CLAUSES THROUGH WHICH PARTIES TO A CONTRACT ESTABLISH A POINT OF REFERENCE FOR DETERMINING THE AMOUNT OWED ON THE DATE ON WHICH IT BECOMES DUE. (HOWEVER, CLAUSES OF THIS KIND COULD PROVE TO BE IN CONFLICT WITH LIMITING OR CONTROLLING MEASURES WITH THE RESULT THAT THEY BECOME NULL AND VOID IN CERTAIN CASES AS, FOR EXAMPLE, IN THE CASE OF RENTAL CONTRACTS.) ON THE OTHER HAND, A CLAUSE WHICH MIGHT PROVIDE FOR ACTUAL PAYMENT IN FOREIGN CURRENCY WOULD BE IN CONFLICT WITH PROVISIONS ENVISAGING A MONOPOLY OVER FOREIGN EXCHANGE BY THE ITALIAN EXCHANGE OFFICE (ARTICLE 7 OF DECREE LAW 476 OF JUNE 6, 1956).

(B) CONCERNING INTERNATIONAL TRANSACTIONS, LAW 1935 OF NOVEMBER 14, 1935 (WHOSE IMPLEMENTING PROVISIONS ARE NOW REGULATED BY A MINISTERIAL DECREE OF MARCH 23, 1968) CREATED A MONOPOLY FOR THE PURCHASE OF GOLD ABROAD IN FAVOR OF THE ITALIAN EXCHANGE OFFICE. LAW 343 OF APRIL LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 ROME 12486 111657Z

26, 1946 FORBADE THE EXPORT FROM ITALY OF GOLD AND OTHER PRECIOUS METALS WITHOUT GOVERNMENTAL APPROVAL. THEREFORE, CLAUSES CALLING FOR EFFECTIVE PAYMENT IN GOLD WOULD BE IN CONFLICT WITH THE PROVISIONS OF THIS LAW. CLAUSES CALLING FOR PAYMENT IN FOREIGN CURRENCY ARE SUBJECT TO ORDINARY FOREIGN EXCHANGE CONTROLS (SUCH AS THE ABOVE-MENTIONED DECREE LAW 476 OF 1956 AND THE MINISTERIAL DECREE OF MARCH 21, 1974). END QUOTE VOLPE

LIMITED OFFICIAL USE

NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** MONETARY GOLD, GOLD TRANSACTIONS, JOINT VENTURES, RESOLUTIONS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 11 SEP 1974  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** golinofr  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1974ROME12486  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Film Number:** D740253-0317  
**From:** ROME  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1974/newtext/t19740955/aaaabuvvc.tel  
**Line Count:** 115  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Office:** ACTION TRSE  
**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 3  
**Previous Channel Indicators:**  
**Previous Classification:** LIMITED OFFICIAL USE  
**Previous Handling Restrictions:** n/a  
**Reference:** STATE 188463  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** golinofr  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 03 APR 2002  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <03 APR 2002 by collinp0>; APPROVED <02 JUL 2002 by golinofr>  
**Review Markings:**

Declassified/Released  
US Department of State  
EO Systematic Review  
30 JUN 2005

**Review Media Identifier:**  
**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** U.S. GOLD CLAUSE JOINT RESOLUTION  
**TAGS:** EFIN, IT, US  
**To:** STATE  
**Type:** TE  
**Markings:** Declassified/Released US Department of State EO Systematic Review 30 JUN 2005